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December 15, 1992

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

BY HAND

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

RE: Reply Comments of Cablevision Systems Corporation
MM Docket No. 92-260 (Cable Home Wiring)

Dear Ms. Searcy:

Cablevision Systems Corporation, by its attorneys, hereby submits for filing an original and nine copies of its reply comments in the above-referenced rule making proceeding.

Please contact the undersigned with any questions concerning this matter.

Sincerely,


Keith A. Barritt

Enclosures

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of Series rec'd
List A B C D E



Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FILE

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Implementation of the)
Cable Television Consumer)
Protection and Competition)
Act of 1992)
)
Cable Home Wiring)

MM Docket No. 92-260

To: The Commission

REPLY COMMENTS OF CABLEVISION SYSTEMS CORPORATION

Cablevision Systems Corporation ("Cablevision"), by its attorneys, hereby submits its reply comments in the above-captioned proceeding.

I. A UNIFORM POLICY IS NEEDED TO ENSURE THAT OPERATORS ARE FAIRLY COMPENSATED FOR INSIDE WIRING

Cablevision generally agrees with other commenters in this proceeding that existing contractual arrangements governing the disposition of home wiring should be honored.^{1/}

Future contracts governing the disposition of wiring installed for commercial subscribers

^{1/}See, e.g., Comments of The National Cable Television Association, Inc. at 11; Comments of The Community Antenna Television Association, Inc. at 3-4; Comments of Continental Cablevision, Inc. at 6.

(such as restaurants and owners of multiple dwelling units) should also be exempt from the rules adopted in this proceeding.^{2/}

With respect to wiring not subject to contract, however, the installing cable operator must be fairly compensated for the wiring if service is terminated. The Cable Consumer Protection and Competition Act of 1992 (the "1992 Cable Act") contemplates a *Federal* right to purchase home wiring upon termination of service,^{3/} and requires the adoption of appropriate *Federal* rules to implement this right. It would be unfair to the installing cable operator and inappropriate, given the statutory intent to create a national policy to govern the disposition of inside wiring, to leave critical issues such as the standard for compensation to individual states or franchising authorities.

Cablevision's experience in Paragould, Arkansas justifies the adoption of a uniform standard for compensation. In that case, a second cable operator was permitted to use home wiring installed by Cablevision without paying Cablevision *any* compensation.^{4/} In response to a challenge from Cablevision, a state court held that Cablevision would have to sue its subscribers in the city if it wished to adjudicate its rights with respect to the wiring. Given the mortal blow to Cablevision's goodwill such a course of action would have caused, it was an untenable option. The result was a windfall to the second operator, which, because it did

^{2/}See Comments of Cablevision Systems Corporation at 5-6 ("Cablevision Comments"); see also Comments of Blade Communications, Inc., Cablevision Industries Corp., *et al.* at 6; Comments of Time Warner Entertainment Co., L.P. at 6-14; Comments of Allen's TV Cable, *et al.*, at 7-9.

^{3/}House Report at 118.

^{4/}See Cablevision Comments at 4.

not have to bear a significant capital cost, enjoys an unfair competitive advantage over Cablevision. A uniform standard, under which the installing operator is entitled to the fair market value of home wiring, would prevent recurrences of this inequity.

II. AN INSTALLING CABLE OPERATOR SHOULD NOT BE LIABLE FOR SIGNAL LEAKAGE CAUSED BY SUBSCRIBER-INITIATED ALTERATIONS

Several commenters propose allowing subscribers to install, rearrange, and maintain their cable home wiring, as is the case with telephone inside wiring. As Cablevision noted in its initial comments, however, the potential for theft of service and dangerous signal leakage from mishandled cable wiring undermines this analogy.^{5/} Cablevision therefore respectfully requests the Commission to prohibit subscribers from installing or rearranging cable home wiring, at least prior to the termination of cable service or during the term of a cable subscription, and to make clear that installing cable operators are not liable for signal leakage resulting from alterations to wiring that occur upon termination of service and after the subscriber has purchased the wiring.

Upon the termination of service, the installing operator's responsibility for any subsequent leakage (either due to theft of service or the provision of service by a second operator) should also end, provided the installer does not intentionally take actions (such as leaving disconnected drops uncapped) that result in leakage. *Any* alteration of the home

^{5/}Cablevision Comments at 6-8. See also Comments of the New York State Commission on Cable Television at 7.

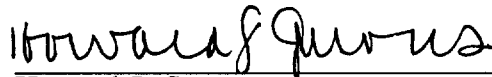
wiring by the former subscriber or second operator that results in leakage should be the responsibility of the subscriber or second operator and not the original installer.^{6/}

III. CONCLUSION

Cablevision's experience in Paragould, Arkansas gives it a unique, real-world perspective on the controversies surrounding compensation for and control over cable inside wiring. In light of its experience, Cablevision respectfully urges the Commission to ensure that cable operators are justly compensated for their investment in inside wiring and that operators are not held liable for signal leakage that is beyond their control.

Respectfully submitted,

CABLEVISION SYSTEMS CORP.



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December 15, 1992

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^{6/}As Cablevision noted in its initial comments, after termination of service a second operator in Paragould, Arkansas simply disconnected Cablevision's drops from subscribers' premises and attached its own drops, leaving Cablevision's drops uncapped and leaking. Cablevision Comments at 8 n.18. The Commission should make clear that any leakage resulting from similar actions by a subscriber or second operator is the responsibility of the party who causes the leakage and not the installing operator.



DECLARATION

I, Marti Green, do hereby declare as follows:

1. I am Senior Associate Counsel for Cablevision Systems Corporation.
2. I have read the foregoing Reply Comments of Cablevision Systems Corporation regarding Cable Home Wiring (MM Docket No. 92-260). With respect to the statements made in the Reply Comments, other than those of which official notice can be taken, the facts contained therein are true and correct to the best of my personal knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct.

12/10/92
Date

Marti Green
MARTI GREEN

12-92/MG58/p9

SERVICE LIST

I, Keith A. Barritt, do hereby certify that copies of the foregoing Reply Comments of Cablevision Systems Corporation, MM Docket No. 92-260, have been served on the following by first class mail, postage pre-paid, this 15th day of December, 1992.


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